

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Examine the
Commission's Future Energy Efficiency Policies,
Administration and Programs.

Rulemaking 01-08-028
(Filed August 23, 2001)

**ADMINISTRATIVE LAW JUDGE'S RULING
RESPONDING TO MOTIONS BY SOUTHERN CALIFORNIA GAS
COMPANY, PACIFIC GAS AND ELECTRIC COMPANY AND
SOUTHERN CALIFORNIA EDISON COMPANY**

This ruling responds to several outstanding motions concerning energy efficiency programs and their funding.

October 21, 2003 Motion of SoCalGas

Southern California Gas Company (SoCalGas) filed a petition to modify Decision (D.) 03-04-055 on August 26, 2003, asking the Commission to correct an error that reduced the utility's 2003 program budgets. SoCalGas subsequently filed a motion on September 11, 2003, seeking the same result. On October 10, 2003, the assigned Administrative Law Judge (ALJ) issued a ruling granting SoCalGas' motion. SoCalGas filed a motion on October 21, 2003, seeking to withdraw its August 26 petition to modify because the matter is now moot.

This ruling grants the motion of SoCalGas to withdraw its August 26, 2003 petition to modify D.03-04-055 because related issues were resolved by the ALJ's October 10 ruling.

October 16, 2003 Motion by PG&E

On October 16, 2003, PG&E filed a motion to shift \$3 million in unspent and uncommitted energy efficiency funds from the "Summer 2000 Energy

Efficiency Initiative” budget to the 2003 Standard Performance Contract (SPC) Program. PG&E’s motion explains that participation in the SPC program is greater than expected and that it currently has 60 related contracts on a waiting list. The SPC program offers cash incentives for certain retrofits of existing business facilities. Of the \$3 million in transferred funds, PG&E would transfer \$2.5 million of the Summer Initiative budget to the 2004-05 program period and the remainder to the 2003 program.

No party objects to this fund transfer. The transfer would enable PG&E to continue to offer a program that is successful without compromising other programs, since the funds are unspent and uncommitted.

This ruling grants PG&E’s October 16, 2003 motion.

November 14, 2003 Motion of Southern California Edison Company

Southern California Edison Company (SCE) filed a motion on November 14, 2003, for authorization to use unspent, uncommitted energy efficiency funds from 2002 to augment its 2003 program budget. Specifically, SCE asks to (1) spend an additional \$1.116 million on its Statewide Single-Family Energy Efficiency Rebate program; (2) spend an additional \$.1 million on its Statewide Residential Multi-Family program; (3) allocate an additional \$.525 million to the Efficiency Partnership to supplement its statewide marketing and outreach program, and (4) allocate \$.4 million to the California State and Consumers Services Agency’s K-12 schools Program so that it may be delivered in SCE’s territory.

Statewide Single-Family Energy Efficiency Rebate Program. SCE states that customer demand for this rebate program is stronger than expected, especially for heating ventilation air conditioning and pool pump measures. SCE predicts the program will deliver more than 7,300 HHVAC units by the end

of the year, many more than the original projection of 4,515. It states this program has produced substantial energy savings and in order to offer this program uninterrupted, it requires an additional \$1.116 million in funding. SCE has made a compelling showing for the fund transfer and this ruling authorizes it.

Statewide Multi-Family Energy Efficiency Rebate Program. SCE offers a variety of energy efficiency measures for apartment complexes and has experienced higher than expected demand. SCE estimates additional funding in the amount of \$.1 million could generate savings of up to 90 kW. SCE has made a convincing showing for the fund transfer and this ruling authorizes it.

Efficiency Partnership. SCE asks to supplement Efficiency Partnership's funding by \$.525 million for 2004. This supplement would be used to offer matching funding to retailers for advertising energy efficiency products. SCE is requesting funding for a new program element that the Commission has not previously approved. The Commission has not delegated authority to the ALJ to approve funding for new program elements. Moreover, SCE's request does not include a budget or any details of how the new program element would be implemented. The Commission has recently conducted a detailed review of proposals by Efficiency Partnership for 2004 and will soon issue a decision approving or denying funding. Accordingly, this ruling denies additional funding for the Efficiency Partnership.

Local K-12 Schools Energy Efficiency Program. SCE requests \$.4 million to provide supplemental funding to the California State and Consumers Services Agency (SCSA). The program was approved in D.02-05-046 and is currently funded by PG&E only. SCSA has identified 70 schools participating in the program that are actually located in SCE's service territory. SCE has agreed to

fund them. SCE states if it receives funding SCSA will submit a program implementation plan to the Commission. SCE has made a convincing showing for transferring funds to this program and this ruling authorizes the transfer.

IT IS RULED that:

1. Southern California Gas Company's motion to withdraw its petition to modify Decision 03-04-055, dated August 26, 2003, is granted.
2. Pacific Gas and Electric Company's October 16, 2003 motion to shift \$3 million in unspent and uncommitted energy efficiency funds from the "Summer 2000 Energy Efficiency Initiative" budget to the 2003 Standard Performance Contract is granted.
3. Southern California Edison Company's (SCE) November 14, 2003, motion for authorization to use unspent, uncommitted energy efficiency funds from 2002 to augment its 2003 program budget is granted as follows: (1) SCE is authorized to spend an additional \$1.116 million on its Statewide Single-Family Energy Efficiency Rebate program; (2) SCE is authorized to spend an additional \$.1 million on its Statewide Residential Multi-Family program, and (3) SCE is authorized to allocate \$.4 million to the California State and Consumers Services Agency's K-12 schools Program so that the program may be delivered in SCE's territory contingent on receiving Energy Division's approval of a program implementation plan.
4. SCE's November 14, 2003 motion to allocate an additional \$.525 million to Efficiency Partnership for program year 2004 is denied.

Dated December 3, 2003, at San Francisco, California.

/s/ KIM MALCOLM

Kim Malcolm

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Responding to Motions by Southern California Gas Company, Pacific Gas and Electric Company and Southern California Edison Company on all parties of record in this proceeding or their attorneys of record. In addition, service was also performed by electronic mail.

Dated December 3, 2003, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.